technology, raw materials used, operational expertise, innovative programmes and systems available in the respective steel plants. The following steps are being taken to ensure that we produce quality steel:

(i) The Global Environment Facility (GEF) project has been undertaken with UNDP's aid with a view to improve the efficiency of operation of the secondary sector, particularly the re-rolling sector and help it to become technically advanced.

(ii) Several modernization up-gradation and renovation programs have been taken up for the steel industry in addition to the extensive in-house restructuring works undertaken by steel plants like SAIL, VSP and TISCO.

(iii) Successful import-substitution programs have been undertaken with particular end-user sectors in mind—indigenous development of special grade steel for the auto industry is one such example.

(iv) More stress is being placed on value added products.

(v) Increased use of computers, telecommunication and software as an integral part of the production process and quality improvement is another landmark development in the Indian steel industry.

Ban on seconds and defective steel

3266.SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the main steel producers have been demanding a ban on imports of seconds and defective steel items;

(b) if so, what steps have been taken to cope up with the problem of cheap imports of such steel; and

(c) what is the outcome of the steps taken?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) and (b) Yes, Sir. The main steel producers have been demanding a ban on the imports of seconds and defectives. To cope up with the problem of cheap imports of seconds and defective steel items the following steps have been taken by the Government:

* Floor prices on imports of seconds and defectives of certain steel items imposed earlier continue;

* Restrictions have been imposed on entry of seconds and defectives through a few designated ports only;

* Customs Duty on seconds and defective category of steel has been kept at the bound rate of 40%
* Pre-shipment inspection certification has been made mandatory for imports of seconds and defectives of all steel items; and
* Ministry of Steel has proposed certain more steps to further reduce import of seconds and defectives in the budget proposals for 2003-04.

(c) There has been a marginal decrease in the import of seconds and defectives in 2001-02 compared to 2000-01, particularly in the category of HR Coils.

Restructuring of ailing steel plants

3267. SHRI DINA NATH MISHRA: Will the Minister of STEEL be pleased to state:

(a) whether Government are considering a restructuring package for revival of ailing steel projects, where about Rs. 35000 crore are locked;

(b) if so, the details thereof;

(c) whether Government have also analysed and identified causes of sickness of the projects and suggested steps, so that similar errors are not repeated in future; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) No specific restructuring package is under consideration by the Government for revival of the ailing private sector steel industry.

(b) Does not arise in view of (a) above.

(c) and (d) The prevailing economic recession during the past few years as well as slump in prices are primarily responsible for the downturn in the steel industry. The high cost of servicing of old loans as well as high cost of power and freight are other problems besetting the industry. There are signs of revival during the past six months due to firming up of prices of steel products.

Production projects of SAIL

†3268. SHRI RAJIV RANJAN SINGH 'LALAN':
SHRI KAPIL SIBAL:

Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that production is going on in many projects under Steel Authority of India Limited;

†Original notice of the question was received in Hindi.